

Chapter Summary

Section 1: The Challenges of Development

The nations of Latin America, Asia, and Africa faced several challenges to development in the second half of the twentieth century, including exploding populations, disease, and reliance on a single cash crop. As these nations moved toward development, traditional patterns of life changed.

Section 2: Africa Seeks a Better Future

Newly independent African nations chose between socialism and capitalism. Many were socialist at first, but later moved toward capitalism to attract foreign investment. As African countries sought social and economic improvements they faced challenges such as drought and AIDS.



Chapter Summary (continued)

Section 3: China and India: Two Giants of Asia

China began to reform its economy in the 1970s after Mao Zedong died. The nation embraced limited capitalism that increased standards of living for some, but it did not pursue political reforms. India also expanded its economy and millions of people moved to cities for jobs.

Section 4: Latin America Builds Democracy

The nations of Latin America struggled with poverty and tried to shift away from producing only one cash crop. Reformers called for changes that would help the poor. Conservatives held on to power and many wars broke out as the region moved slowly toward democracy.

Objectives

- Understand the paths the nations in Asia, Africa, and Latin America have taken in developing strong economies.
- Describe some obstacles to development in the global South.
- Explain how development is changing patterns of life in the developing world.



Terms and People

- **development** – the process of building a stable government, a more advanced economy, and raising standards of living
- **developing world** – the nations working toward development in Africa, Asia, and Latin America
- **literacy** – the ability to read and write
- **traditional economies** – economies that rely on habit, custom, or tradition and tend not to change over time

Terms and People (continued)

- **Green Revolution** – new farming products and methods that increased agricultural production in many parts of the developing world
- **fundamentalists** – people who call for a return to what they see as the fundamental, or basic, values of their religious faiths
- **shantytowns** – crowded, dangerous slums on the edges of cities



How have the nations of the developing world tried to build better lives for their people?

The main goal of nations that emerged in Africa and Asia after World War II was **development**.

The **developing world** worked toward building stronger economies to improve the standard of living for its people.

The modern world is loosely divided by geography and level of economic development.



Global North

- Industrialized nations
- Located north of the Tropic of Cancer

Global South

- Developing world
- Located south of the Tropic of Cancer

Leaders in developing nations took many different steps to improve industry.



- They **built roads, airports, railroads, and dams.**
- They **built schools** to increase **literacy.**
- They **obtained loans** from banks and governments in the developed world.

Many developing countries still had traditional economies. Nations took steps to modernize their economies.



- **Traditional economies** rely on habit or custom and limit competition and growth.
- After countries in Asia and Africa gained independence, many created government-led command economies.
- They took out loans and had difficulty repaying them.

Beginning in the 1980s, countries in the global North required that developing countries shift to free-market economies.

Companies and people in the global North began investing money in the global South.

In this way, **new industries appeared in developing nations. They exported consumer goods to the industrialized world.**

New farming methods and products led to a **Green Revolution in the developing world in the 1950s.**

- Agricultural production increased.
- Many small farmers could not make a living and were forced to sell their land.
- Pesticides polluted streams and rivers.



Global South nations have faced many obstacles to development.

- Their **populations are growing rapidly**, which puts a burden on governments trying to provide healthcare, food, and education.
- Many **people are caught in a cycle of poverty** due to malnutrition and disease.

Many developing nations are still dependent on industrialized nations.

- After independence, many former colonies continued to produce raw materials for Western nations.
- Some developing nations only produce **one main export crop**, leaving them vulnerable to price changes.
- In recent years Western companies have relocated to the global South because of low labor costs.

Economic shifts in the developing world have greatly changed patterns of life.



- The education gap has narrowed between men and women, and women are entering the workforce.
- Some religious **fundamentalists** have sought political power to oppose societal changes.
- Cities have grown rapidly and impoverished **shantytowns** have sprung up on the edges of cities.

Objectives

- Describe the goals of developing nations in Africa.
- Understand the obstacles that African nations faced as they pursued development.
- Analyze the challenges faced by a developing nation by taking a closer look at Tanzania.



Terms and People

- **socialism** – economic system where the people as a whole, rather than private individuals, own all property and operate all businesses
- **desertification** – a change from fertile land to desert
- **urbanization** – the movement of people from rural areas to cities
- **endangered species** – species threatened with extinction

Terms and People (continued)

- **Wangari Maathai** – an environmental activist in Kenya who started the Green Belt Movement
- **sustainable development** – development that meets the needs of the present without compromising the ability of future generations to meet their needs



What challenges have African nations faced in their effort to develop their economies?

After World War II, African nations had little capital to invest in development.

Africa worked to establish industry, increase literacy, and develop resources in the face of drought and the spread of AIDS.

After World War II ended, newly independent African nations had to make tough choices about how to run their economies.

Socialism

- System where the people as a whole own property and operate businesses
- Created large, inefficient bureaucracies

Capitalism

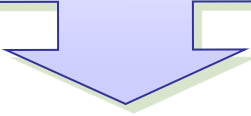
- Market economies with private ownership of property
- Created more efficient economies, but allowed more profit to be taken away by foreign owners

**Governments
grew cash crops
for export and
stopped
producing
enough food for
their people.**



- They needed money for development.
- They then had to import food, and the policy made the nation **dependent on the price of one crop.**
- Governments kept food prices low, which **discouraged local farmers from growing crops.**

Africa facing many obstacles as it worked toward well-being.



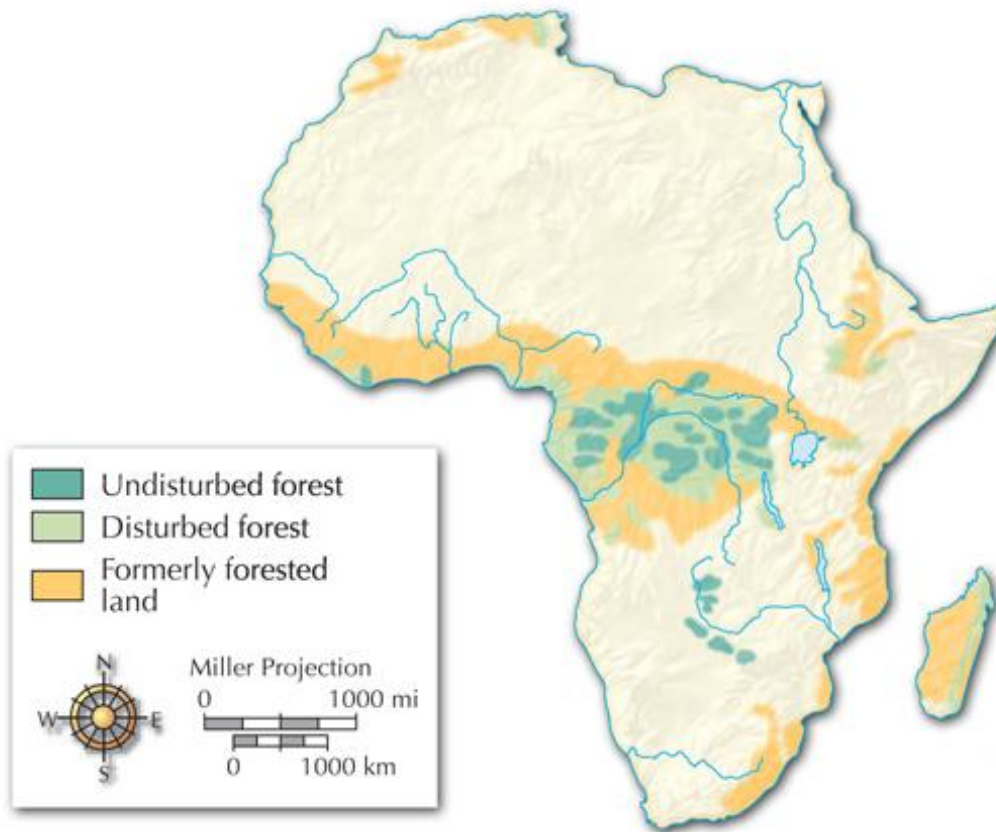
- Long droughts led to food shortages and **desertification**, in which fertile land was lost.
- AIDS spread rapidly, which damaged economies and left children orphaned.
- A high rate of **urbanization** weakened traditional cultures and kinship ties.



Families in Africa moved to the city to escape drought and famine.

Though the growth of cities has given women greater economic opportunities and eased ethnic tension, it has also weakened African traditions.

Africa has faced many environmental problems.



- Urbanization, population growth, farming, and logging have destroyed animal habitats.
- As a result, many of its animals are now **endangered species.**

Wangari Maathai started the Green Belt Movement in Kenya to address some of these environmental issues.




She worked with women to create **sustainable development** projects that would provide lasting well-being rather than short-term gains.

Tanzania went through many changes after gaining independence.



The government embraced "African socialism." It took over banks and businesses, and encouraged people to work on collective farms.



This failed. The government plunged into debt. New leaders introduced reforms in 1985 and promoted a market economy.

Today, Tanzania has an agricultural economy.

- Half of the nation's GDP comes from farming.
- The economy got a boost from a new gold mine in the early 2000s, and the government planned to use profits to reduce poverty.

Objectives

- Analyze how China has reformed its economy but limited freedom.
- Describe the continuing challenges that China faces.
- Understand how India has faced poverty but built a stronger economy.
- Explain important Indian social reforms.



Terms and People

- **Deng Xiaoping** – the leader of China in 1981 who set China on a new path by enacting practical reforms to the economy
- **Tiananmen Square** – a huge plaza in the center of China's capital, Beijing, where demonstrators staged a protest in 1989 and thousands were killed or wounded by government troops
- **one-child policy** – Chinese government policy limiting urban families to a single child
- **Kolkata** – one of the major cities of India, also known as Calcutta

Terms and People (continued)

- **Mumbai** – large city in India, formerly known as Bombay
- **Mother Teresa** – a Roman Catholic nun who founded the Missionaries of Charity in Calcutta to provide food and medical care to thousands of Indian people
- **dalits** – people in the lowest caste of Indian society



What are the similarities and differences between the economies and governments of China and India?

China and India are home to two-fifths of the world's population. Both have undergone reforms to encourage economic development.

As these nations became more powerful and productive, they overcame many challenges, but still face some problems today.

When moderate leaders took control of China after Mao died in 1976, the nation began on a new path.



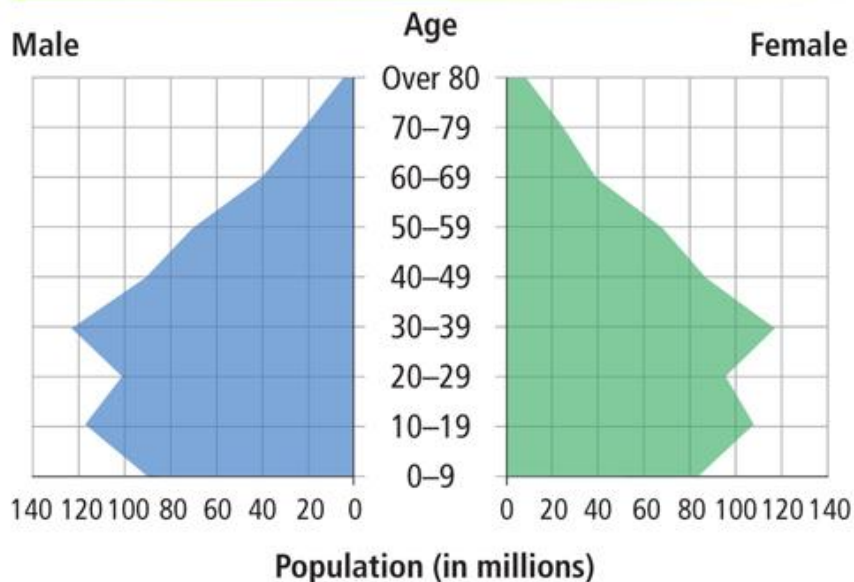
- **Deng Xiaoping** became leader in 1981 and started a program called the Four Modernizations, which allowed some features of a free market.
- Farmers could sell surplus produce, and managers of state-run factories were given more freedom.
- The changes brought a surge of economic growth.

As economic reforms brought greater contact with the West, some Chinese demanded greater political freedom.

- Deng refused to allow democratic reforms.
- As a result, protesters gathered in **Tiananmen Square** in Beijing in 1989. When they refused to disperse, the government sent in tanks.
- Thousands of people were killed or injured.

China's population growth brought problems.

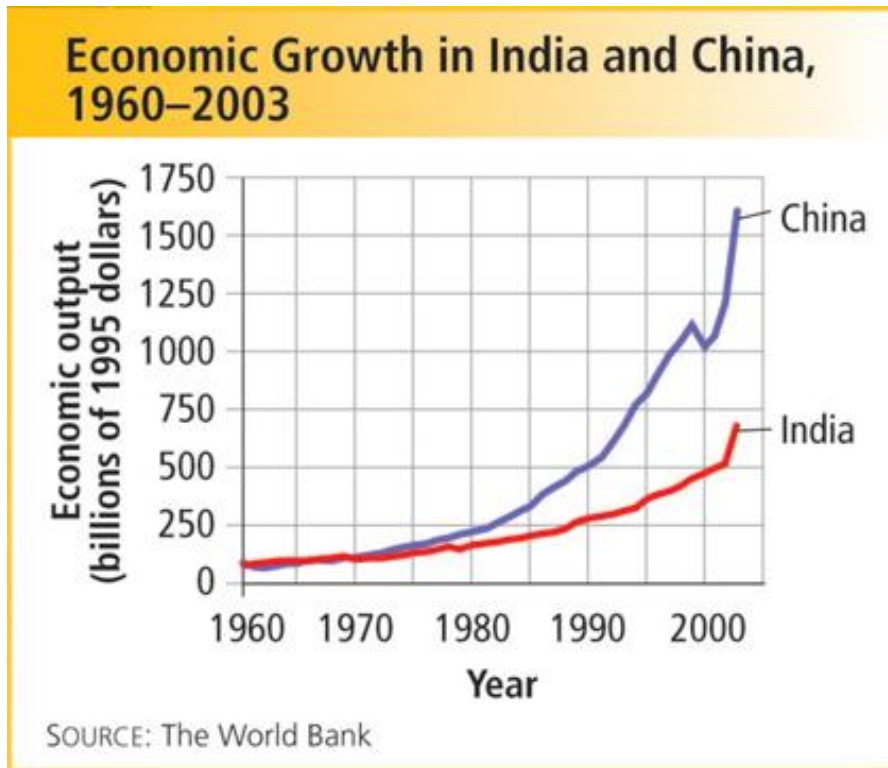
China, Estimated Population by Age and Gender, 2005



SOURCE: U.S. Census Bureau, International Data Base

- Millions of workers moved to cities, straining resources.
- The government began a **one-child policy** in the 1980s, which did help to slow population growth.

Economic growth also caused problems.



- Urban workers lived in poverty.
- New industries polluted the air and water.
- Travel and trade led to the spread of AIDS.

Human-rights activists called attention to abuses in China.

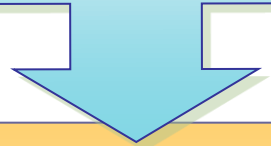


- These activists objected to the lack of free speech, use of prison labor, and China's suppression of Tibet's Buddhist culture.
- China issued its first human rights action plan in 2009.

India planned to develop a modern economy after gaining independence in 1947.



The government followed a socialist model, and promoted the Green Revolution. India developed unevenly.



In the 1980s, India shifted toward a free-market system and privatized some industries. Many industries expanded rapidly. By 2000, India was a leader in information technology.



Many Indian people found jobs providing computer and technology customer support to the rest of the world.

Like China, India struggles with a huge and growing population.

- Food output rose due to the improvements of the Green Revolution, but so did demand.
- Millions migrated to cities like **Kolkata** and **Mumbai**, but there weren't enough jobs for everyone.

Despite the growth of the economy, India is still plagued by poverty.

- **Mother Teresa**, a Roman Catholic nun, founded the Missionaries of Charity in Calcutta and helped thousands by providing food and medical care.
- Though the government backed family planning to try to slow population growth, it had only limited success.

Indian society has changed as a result of the growth of a modern economy.

- India's constitution banned discrimination against **dalits**, people in the lowest caste. However, discrimination based on caste still existed.
- Women were also granted equal rights. Rural and poor women were not educated, but some have organized to improve their lives.

Objectives

- Analyze how Latin America grappled with poverty.
- Describe Latin America's difficult road to democracy.
- Understand the struggle for democracy in Argentina.



Terms and People

- **import substitution** – manufacturing goods locally to replace imports
- **agribusiness** – giant commercial farms often owned by multinational corporations
- **liberation theology** – movement within the Catholic Church that urged the church to become a force for reform, social justice, and an end to poverty
- **Organization of American States (OAS)** – a group formed in 1948 to promote democracy, economic cooperation, and human rights in the Americas

Terms and People (continued)

- **Sandinista** – a movement of socialist rebels in Nicaragua, who toppled the ruling family
- **contra** – a guerrilla who fought the Sandinistas and received the support of the United States
- **indigenous** – native
- **Juan Perón** – the nationalist president of Argentina between 1946 and 1955
- **Mothers of the Plaza de Mayo** – movement of women who protested weekly in a central plaza in the capital of Argentina against the disappearance or killing of relatives



What challenges have Latin American nations faced in recent decades in their struggle for democracy and prosperity?

Latin America, which is made up of Mexico, Central America, the Caribbean, and South America, has dealt with challenges similar to those of other developing nations.

These include population growth, poverty, illiteracy, and political instability.

One of the main challenges that confronted Latin America from the 1950s to 1980s was poverty.



- Latin America countries relied heavily on single cash crops and imported everything else.
- To try to change this, governments adopted an **import substitution** policy.
- However, manufacturing goods at home was costly and required government help.



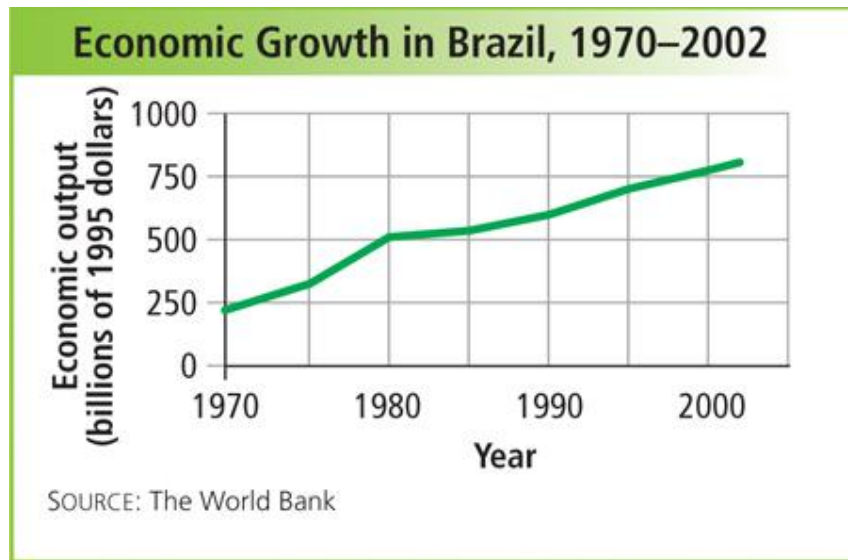
Latin American nations worked to diversify their economies in recent decades, with some success.

The region gave up promoting import substitution and turned to promoting exports, such as oil.

Another government strategy to cut poverty was to open more land to farming.

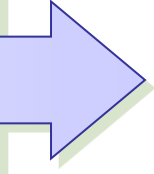
- They did this through irrigation and by clearing forests, which has had environmental costs.
- The best land belongs to **agribusiness**, commercial farms owned by corporations.
- This is an example of a problem in Latin America: a tiny elite controls the wealth and there is a large gap between rich and poor.

Latin America's population exploded between 1930 and 1980.



- Economic growth did not keep pace with population growth.
- Land shortages drove peasants to the cities. Many survive by doing odd jobs and living in shantytowns.

The Catholic Church and other religious groups reached out to the poor.



Many priests and nuns crusaded for an end to poverty in a movement called **liberation theology.**

From the 1950s on, many groups pressed for political reforms in Latin America to help the poor.



- Conservatives resisted change and sought to hold on to their power.
- Military rulers seized power between the 1950s and 1970s in Argentina, Brazil, Chile, and other nations.
- Many people were imprisoned, killed, or exiled for speaking out against the autocratic regimes.

The United States has long loomed over Latin America.



- The main power in the **Organization of American States (OAS)**, it saw itself as a defender of democracy and provider of aid.
- Latin America admired the United States's wealth, but resented what they see as military and cultural domination.

The United States backed anti-communist dictators in Latin America and intervened in Guatemala, Cuba, and Nicaragua.



In Nicaragua, **Sandinista** rebels toppled the ruling family in 1979. The Reagan administration backed the **contras**, and the two sides fought until 1990.

The United States began a “war on drugs” in the 1980s that led to further American military involvement in Latin America.

- The U.S. invaded Panama in 1989 to arrest its president, Manuel Noriega, for drug trafficking.
- Though Latin American governments helped by trying to crush cartels, critics argued that the main issue was the demand for drugs in the United States.

Several wars broke out in Central America between the 1960s and 1990s as revolutionaries fought authoritarian leaders.

- Rebels in Guatemala fought regimes that targeted the **indigenous** population and **killed tens of thousands**.
- A reformer in El Salvador named Oscar Romero called for change until he was assassinated. A **war broke out there in 1980 and lasted until 1991**.

Latin America moved to democracy in the 1990s.

- Argentina, Brazil, and Chile held free elections.
- The United Nations occupied Haiti in 2004 to try to restore democracy there.
- The single political party in Mexico made reforms in the 1990s, and an opposition candidate, Vicente Fox, was elected president in 2000.

Argentina traveled a long road to democracy.



Juan Perón was president from 1946 to 1955. He suppressed opposition and was ousted in a coup.

The military seized control and kidnapped its own citizens.

Women known as the **Mothers of the Plaza de Mayo** protested by marching silently with pictures of their missing children.

The military restored civilian rule in 1983.



- Argentina became a democracy.
- A financial crisis in 2001 devastated the economy.
- It recovered after 2003.
- Economic progress was undermined by the 2008 recession.